

tracts. The Torere Road serves a large area of free-selection land as well as the improved farm, and will eventually be the main outlet to all the country across the Moawhango River.

*Masterton-Tenui Improved Farm, Awarua*; in 100 acre lots.—None of the sections have so far been forfeited. This also promises to be a successful farm. The class of settlers is good; the quality of the land is first-class, though some of the sections are very rough, but all are now accessible by dray-roads, and all are near Mangaweka, which will prove a good market for the settlers' produce for years to come. Besides, there will be a large amount of labour required for years on the adjacent large holdings and on the Trunk Railway, which is now being constructed through the farm. 288 acres of bush have been felled and grassed, and 80 chains of roads constructed. The settlers have not been much of their time employed by this department, some of them being on the railway-works, and others being on outside work of various descriptions. The only access road constructed towards this farm is the Terrace Road. All the sections are now accessible by dray-road except Section 39. This section is cut off by a deep railway-cutting, now in progress.

J. W. A. MARCHANT, Commissioner of Crown Lands.

### OTAGO.

*"Waipati" (Block XII., Tautuku).*—This settlement contains 3,000 acres, and has been subdivided into twenty sections, nineteen of which have been taken up. All the settlers are residing on their sections, and the majority of them have built substantial houses. Last year they felled altogether 246½ acres, making the area now in grass 375 acres. Last season being very dry, almost all the settlers had good burns. They are now clearing their lines preparatory to fencing their holdings. A Dunedin company have decided to start a cheese-factory next summer in connection with this settlement and the Heathfield Block. This will be a great assistance to the settlement, and in another year it should not require any further assistance from the Government. During the summer months the men have been employed clearing and forming the roads in the block; total length of road felled and logged up, 334 chains, but the contracts for the formation have not yet been completed. The great handicap to this settlement is the heavy cost on provisions in the winter. The settlers cannot afford to take in large supplies, and have therefore to pay a very heavy cartage in the winter. I think the department should consider the advisability of starting a Government store in the Tautuku district, and have the goods carted in in summer time, and thus save the roads from so much winter traffic.

*Rimu (Block XV.).*—This settlement contains 1,600 acres, divided into sixteen sections, all of which have been allotted, and are in occupation. All the settlers are residing on their sections, there being eleven married and two single men. The total number of individuals is fifty, including women and children. Buildings have been erected on ten of the sections, the settlers having taken advantage of the Government advances for building. A commodious school-building is in course of erection on the school reserve. This settlement is three parts surrounded by the Tahakopa and McLennan Rivers; the latter river is now being bridged to connect the settlement with the main road. In the meantime their supplies are obtained by boat. This settlement promises to turn out well. Some of the settlers have gardens and a few head of cattle, and the advancement made is satisfactory. 133 acres was felled last winter, making a total of nearly 200 acres in grass. The settlers have been employed on co-operative contracts, bushfelling and forming a road through the block upwards of two miles in length. A considerable amount of roading is still required on the block to give access to sections. One of the settlers has a brick-kiln, and is turning out some splendid bricks.

*Puaho (Block IX., Woodland).*—This settlement contains 1,003 acres, divided into seven sections, all of which are taken up but No. 3. Only five settlers are residing on their sections, one married with his family and two married without their families, three sections being held by five single men. The settlers in this settlement have not done as well as they might. Only one settler has taken advantage of the Government advances for house-building. 54 acres has been felled and grassed. Only two of the settlers have any stock. Most of the settlers have been employed on co-operative works.

*Purakawiti No. 2 (Block IX., Woodland).*—This settlement contains 1,514 acres, divided into twelve sections, all of which have been taken up. There is only one married man with his family residing on this settlement, and one married man without his family. There are two others married holding sections, but having only recently obtained them they have not taken possession of them yet. Eight sections are held by single men, five of whom reside on their sections. 68 acres has been felled and grassed, and three settlers have availed themselves of the advances for buildings. Several of them have a few head of cattle; none of them have any but rough log fencing done, and no gardens. The condition of this settlement is not satisfactory, owing to there being too many single men in it, which fact has retarded the progress of the settlement.

*Block II., Woodland Settlement.*—This settlement contains 1,207 acres, and has been subdivided into nine allotments, all of which have been taken up. None of the settlers are, however, residing on them, as none of the roads leading to this block have been cleared. No bush was felled on this block last year. To make this settlement a success the roads leading to it will require to be cleared and formed as soon as possible, so as to allow the selectors to get to their holdings.

JOHN HAY, Chief Surveyor.